

Cornyn amendment No. 3699, to establish a floor to ensure that States that contain areas that were adversely affected as a result of damage from the 2005 hurricane season receive at least 3.5 percent of funds set aside for the CDBG Program.

Cornyn amendment No. 3672, to require that the Secretary of Labor give priority for national emergency grants to States that assist individuals displaced by Hurricanes Katrina or Rita.

Murray (for Byrd) amendment No. 3708, to provide additional amounts for emergency management performance grants.

Domenici/Reid amendment No. 3769, to provide additional construction funding for levee improvements in the New Orleans metropolitan area, gulf coast restoration.

The PRESIDING OFFICER. Under the previous order, there will be 1 hour for debate with 30 minutes under the control of the Senator of Oklahoma and 15 minutes under the control of the Senator from California and 15 minutes under the control of the other Senator from California.

The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, what is the pending business of the Senate?

The PRESIDING OFFICER. The pending business is H.R. 4939.

AMENDMENT NO. 3641, DIVISION XIX, WITHDRAWN

Mr. COBURN. I would resume where we were last night, if I could get recognized on amendment No. 3641, division XIX.

The PRESIDING OFFICER. The Senator has that right, to speak to that issue.

Mr. COBURN. I had planned on withdrawing that amendment, but I wish to make one last point. California received \$753 million in earmarks last year. This amendment was to eliminate almost \$11 million on levee reconstruction. Seventy times that amount went to California in earmarks. That is the problem.

I ask unanimous consent to withdraw this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3817, WITHDRAWN

Mr. COBURN. Mr. President, I ask that the pending amendment be set aside and amendment No. 3817 be called up.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 3817.

Mr. COBURN. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike a provision relating to the Office of Job Corps)

Strike section 7017 (relating to the Office of Job Corps).

Mr. COBURN. Mr. President, I intend on withdrawing this amendment. I wish to make a few points before I do so.

In the supplemental bill, the Job Corps receives a direction that the Department of Labor can't manage it, can't use the resources to manage it. There are documented errors and documented fraud within it. Mr. President, section 7017 of the Emergency Supplemental would mandate that Job Corps operate with less accountability. Specifically, the language would make Job Corps the only program out of 100s to be operated out of the Secretary's office with direct contracting authority.

The Office of the Secretary of Labor does not have the staff or resources to effectively manage and conduct oversight on the Job Corps. The language of Section 7017 forbids the Secretary from shifting oversight and management personnel from any other support office in the Department of Labor. Secretary Chao is forbidden to utilize the same oversight and management that every other program normally receives from other support offices within the Department.

Section 7017 ignores recommendations from the Government Accountability Office and the Inspector General that warn against the dangers of waste, fraud, and abuse that will go undetected in the Job Corps program when one office controls all aspects of a contract-drafting, soliciting, bidding, and managing. The incestuous relationship between the contractors who operate the Job Corp program and the program officers operating the program will have no independent oversight to guard against improper payments, improper use of resources, fraudulent performance reporting resulting in fraudulent salary bonuses, and non-compliant accounting and record keeping.

Secretary Chao is trying to clean up the Job Corps program so that it effectively serves low income teenagers and young adults with a residential job training program. The Job Corps program needs accountability. According to the Office of Job Corps, the program failed to have aggressive monitoring of performance data making evaluations of the program's effectiveness unreliable. The Job Corps contractors are reporting misinformation regarding the number of students that successfully graduate or receive GEDs. The contractors fail to report that almost 40 percent of the students who go through the program fail to obtain a GED or diploma. This results in fraudulent bonus increases to the contractor's pay. The program fails to report that the median stay of a student at a Job Corps location is 8 months, while it takes at least 12 months to successfully obtain a GED. The program also fails to accurately report how many students successfully receive job placement into the skilled jobs for which the Job Corps is supposed to equip the students. They fail to report that only 5 percent of the graduating students are placed in apprenticeships for skilled jobs. The contractors incorrectly consider job placement in unskilled jobs and the mili-

tary—(obtainable without a high school education)—as benchmarks for success. This results in fraudulent bonus increases to their pay.

Examples of mismanagement illustrated in past Inspector General Reports include doctoring of program performance resulting in bonus pay, unethical use of resources, lack of cost controls and resource management. These examples makes the point for Secretary Chao—that the Job Corps program is in desperate need for accountability and oversight.

The September 30, 2005 Inspector General report, San Diego Job CORPS Center: Student Attendance and Training Data Overstated, stated that the number of vocational completions was overstated by over 50 percent. Training records did not support that students had completed all the vocation's tasks with an appropriate level of proficiency.

In the March 30, 2005 Inspector General report, Kittrell Job Corps Center: Manipulation of Student Attendance and Training Records, the Inspector General found that Kittrell managers manipulated student attendance and training records to improve the center's reported performance. Reported performance of high school diploma attainment and job placements was also was not reliable. This unreliable data affected Job Corps financially because reimbursed operating expenses and incentive fees paid to contracted center operators are based on reported performance.

In the 2001 independent auditor's report on the schedule of Job Corps expenses for the Turner Job Corps Center, the Inspector General found inadequate controls over payroll processing, that included hiring two instructors without proper credentials and keeping inaccurate records of leave. There was also lack of accountability over inventories of consumable supplies, evidence that the center underreported medical and dental expense, and the purchase of property and equipment that Department of Labor did not approve prior to acquisition.

In the January 31, 2000 report entitled OIG Questions \$1.3 Million of Additional Costs Claimed by Contractor Report No. 18-00-003-03-370, the Inspector General found that the contractor Will H. Hall & Son, Inc. received an additional \$2,365,622 due to delays at their construction site. The Inspector General found that this contractor failed to substantiate its claim that various events under the Department of Labor's contract constituted compensable construction delays caused by the Department of Labor. Certain amounts claimed were either double counted as both direct and indirect costs, already covered under the original firm fixed-price contract, or based on estimates instead of actual costs incurred.

Section 7017 of the Emergency Supplemental will virtually guarantee that we will see many more examples of